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Review of the efficiency of the administrative and financial functioning of the United Nations

Activities of the Independent Audit Advisory Committee for the period from 1 August 2015 to 31 July 2016

Report of the Independent Audit Advisory Committee

Summary

The present report covers the period from 1 August 2015 to 31 July 2016. During the period, the Independent Audit Advisory Committee held four sessions, which were presided over by J. Christopher Mihm, Jr. (United States of America) as Chair and Maria Gracia Pulido Tan (Philippines) as Vice-Chair. Mr. Mihm was re-elected Chair, and Ms. Pulido Tan was elected as Vice-Chair for 2016. As has been the case during the history of the Committee, all members attended all of the sessions during their appointments.

Section II of the report contains an overview of the activities of the Committee, the status of its recommendations, and its plans for 2017. Section III sets out the detailed comments of the Committee, including the specific request of the General Assembly to continue to examine the operational independence of the Office of Internal Oversight Services, in particular in the area of investigation.

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I. Introduction

1. The General Assembly, by its resolution 60/248, established the Independent Audit Advisory Committee as a subsidiary body to serve in an expert advisory capacity and to assist it in fulfilling its oversight responsibilities. By its resolution 61/275, the Assembly approved the terms of reference for the Committee, as well as the criteria for its membership, as contained in the annex to that resolution. In accordance with its terms of reference, the Committee is authorized to hold up to 4 sessions per year. To date, the Committee has held 35 sessions since its inception in January 2008.

2. In accordance with its terms of reference, the Committee submits an annual report containing a summary of its activities and related advice to the General Assembly. The present ninth annual report covers the period from 1 August 2015 to 31 July 2016.

3. In section II, paragraph 3, of its resolution 70/111, the General Assembly invited the Committee to continue to examine the operational independence of the Office of Internal Oversight Services (OIOS), in particular in the area of investigation. The observations, comments and recommendations of the Committee in that respect are contained in section III.C of the present report.

4. The Committee is also required to advise the General Assembly, inter alia, on the compliance of management with audit and other oversight recommendations; the overall effectiveness of the risk management procedures and deficiencies in the internal control systems; the operational implications of the financial statements and the reports of the Board of Auditors; and the appropriateness of the accounting and disclosure practices in the Organization. The Committee also advises the Assembly on the steps necessary to facilitate cooperation among the oversight bodies.

5. The present report addresses the issues identified during the reporting period as they pertain to the above-mentioned responsibilities of the Committee.

II. Activities of the Independent Audit Advisory Committee

A. Overview of the sessions of the Committee

6. During the reporting period, the Committee held four sessions: from 9 to 11 December 2015 (thirty-second session), from 17 to 19 February 2016 (thirty-third session), from 4 to 6 May 2016 (thirty-fourth session) and from 25 to 27 July 2016 (thirty-fifth session). Three of the sessions were held at United Nations Headquarters. The thirty-second session was held at the United Nations Office at Geneva.

7. The Committee functions under its adopted rules of procedure, as contained in the annex to its first annual report (A/63/328). To date, all members of the Committee have a 100 per cent attendance rate at its sessions. All the decisions of the Committee have been unanimous; however, its rules of procedure make provision for members to record their dissent with respect to decisions taken by the majority.

8. During the thirty-second session, in December 2015, the members re-elected J. Christopher Mihm, Jr. (United States of America) as Chair and elected Maria Gracia Pulido Tan (Philippines) as Vice-Chair for 2016. Additional information about the Committee can be found on its website (www.un.org/ga/iaac) in all the official languages of the United Nations.

9. Since its establishment, the Committee has submitted 22 reports to the General Assembly, 2 of which were published during the reporting period. They include the Committee's annual report to the Assembly for the period from 1 August 2014 to 31 July 2015 (A/70/284) and the report to the Assembly, through the Advisory Committee on Administrative and Budgetary Questions, on the proposed budget of OIOS under the support account for peacekeeping operations for the period from 1 July 2015 to 30 June 2016 (A/70/759).

B. Status of the recommendations of the Committee

10. Although it meets only four times per year, typically for three days at each session, the Committee has accomplished important achievements to date, particularly in relation to enterprise risk management and the operations of the Office of Internal Oversight Services. The Committee follows up on the implementation of its recommendations as a standard agenda item at each session and looks forward to seeing the full effects of the actions taken by management and by the Office. Some of the significant recommendations made by the Committee during the reporting period relate to:

(a) The Secretary-General consulting with the Committee in selecting the head of the Office of Internal Oversight Services, to ensure that the candidates under consideration have relevant leadership expertise in the functions of internal audit, inspection and evaluation and investigation;

(b) The need for senior managers to ensure that enterprise risk management becomes the standard way of doing business and that it is effectively implemented and sustained throughout the Organization;

(c) The need for a central intake system for investigations, which would help with the completeness and accuracy of reporting fraud and presumptive fraud;

(d) The need for a holistic review of the Office of Internal Oversight Services, which would help to ensure that the widespread and significant concerns about the operations, internal working relationships and effectiveness of the Investigation Division would be resolved;

(e) The need for the Office to ensure that the workplans of the respective divisions were guided by the Organization's enterprise risk management strategy;

(f) The need for the Office to ensure that the Investigation Division undertakes proactive investigative work;

(g) The need for the Office to disseminate guidelines and protocols that it would use when advising management and making statements about situations that may be subject to audit or investigation;

(h) The need for management to draft a manual on internal control;

(i) The need for the Organization to monitor key milestones and the overall timeline for the implementation of Umoja by identifying and managing current and any emerging key risks to the achievement of the objectives of the project;

(j) The need for a coordinated strategy to bring the collective work of the oversight bodies in one place so decision makers would have a complete picture of the contributions of the United Nations system towards the implementation of the 2030 Agenda for Sustainable Development;

(k) The need for the oversight bodies to consider developing short topical or organization-specific fact sheets that bring together in one place brief synopses by each of the oversight bodies that are relevant to the topic or organization.

C. Overview of the plans of the Committee for 2017

11. The Committee undertook its responsibilities, as set out in its terms of reference, in accordance with the scheduling of the sessions of the Advisory Committee on Administrative and Budgetary Questions and the General Assembly. The Committee will continue to schedule its sessions and activities to ensure coordinated interaction with intergovernmental bodies and the timely availability of its reports. In a preliminary review of its workplan, the Committee identified several key areas that will be the main focus for each of its four sessions for fiscal year 2017 (see the table below).

Workplan of the Committee from 1 August 2016 to 31 July 2017

Session	*Key focus area*	*Intergovernmental consideration of the report of the Committee*
Thirty-sixth	Review of the 2017 workplan of the Office of Internal Oversight Services in the light of the workplans of other oversight bodies	Advisory Committee on Administrative and Budgetary Questions, first quarter 2017
	Proposed budget of the Office under the support account for peacekeeping operations for the period from 1 July 2017 to 30 June 2018	General Assembly, second part of the resumed seventy-first session
	Operational implications of issues and trends in the financial statements and reports of the Board of Auditors	
	Coordination and cooperation among oversight bodies, including hosting the first coordination meeting of oversight committees	
	Election of the Chair and Vice-Chair for 2017	

Session	*Key focus area*	*Intergovernmental consideration of the report of the Committee*
Thirty-seventh	Status of implementation of oversight bodies' recommendations	General Assembly, second part of the resumed seventy-first session
	Report of the Committee on the Office of Internal Oversight Services support account budget	
	Review of the enterprise risk management and internal control framework in the Organization	
Thirty-eighth	Operational implications of issues and trends in the financial statements and reports of the Board of Auditors	Advisory Committee on Administrative and Budgetary Questions, second quarter 2017
	Proposed programme budget for the Office of Internal Oversight Services for the biennium 2018-2019	General Assembly, main part of the seventy-second session
	Coordination and cooperation among oversight bodies	
	Transformational projects and other emerging issues	
Thirty-ninth	Preparation of the annual report of the Committee	General Assembly, main part of the seventy-second session
	Review of the enterprise risk management and internal control framework in the Organization	
	Status of implementation of oversight bodies' recommendations	
	Coordination and cooperation among oversight bodies	

12. In planning its work, the Committee is mindful of the following relevant events that could have an impact on its work activities:

(a) The various reform/transformational initiatives on which the Organization has embarked, such as mobility, the global service delivery model and Umoja;

(b) The forthcoming transition to a new Secretary-General and the need to sustain the implementation and progress of the organizational transformative initiatives, while being aware that the new Secretary-General will have his or her own priorities and plans;

(c) The end of the terms of office of three of the five members of the Committee, whose three-year terms expire in December 2016.

III. Detailed comments of the Committee

A. Status of the recommendations of United Nations oversight bodies

13. Under paragraph 2 (b) of its terms of reference, the Committee is mandated to advise the General Assembly on measures to ensure the compliance of management with audit and other oversight recommendations. During the reporting period, the Committee reviewed the status of the implementation by management of the recommendations of United Nations oversight bodies, as a standard practice.

Board of Auditors

14. The Board of Auditors reported that the rate of implementation of recommendations for the 12-month period from 1 July 2013 to 30 June 2014, the most recent period for which data are available, continued the upward trend. For example, since 2006/07 until 2013/14, the implementation rate of Board of Auditors recommendations for peacekeeping operations has increased from 32 per cent to 52 per cent.

15. The Committee reviewed management's action on the main Board of Auditor's recommendations that were open for two or more years as at 31 March 2016. Those recommendations are before the Management Committee. Management said that there were 10 main recommendations under review, 8 of which pertained to the regular budget and 1 each to peacekeeping and the Capital Master Plan.

16. Management informed the Committee that of the eight main outstanding recommendations for the regular budget, management believes that four from the biennium 2010-2011 have been implemented; and that the other four from the biennium 2008-2009 (which relate to the automated preparation of the financial statements, the automated management of voluntary contributions, the accuracy of accounts payable and accounts receivable balances) would be fully implemented by the end of 2016.

17. With regard to peacekeeping operations, the Committee was informed that the one outstanding main recommendation related to deficiencies in acquisition planning and global asset management. Management noted that the Global Service Centre was working on a policy on acquisition planning linked to global asset management which would be submitted for review and approval before the end of 2016.

18. As for the Capital Master Plan, the Committee was informed that the outstanding main recommendation related to the adoption of whole life cycle asset investment strategy and assessment of costed options for the through-life maintenance of the Headquarters building. The Administration considers this recommendation to have been implemented based on information it included in its report to the General Assembly on the strategic capital review (A/70/697). The Board has not yet closed this and other recommendations that management believes it has addressed.

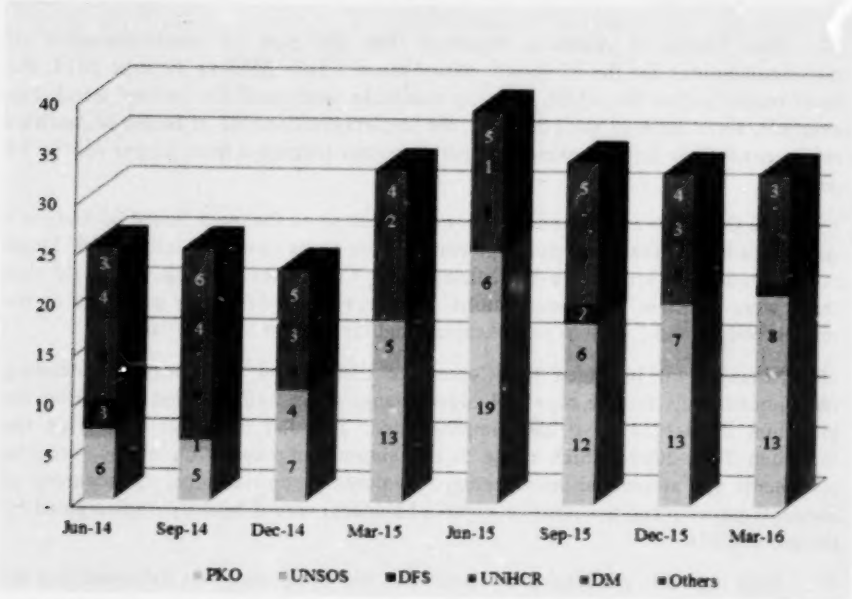
19. **The Committee continues to acknowledge the effort of the Management Committee to oversee the implementation of the Board's recommendations.**

Office of Internal Oversight Services

20. All recommendations categorized as "critical" by OIOS are brought to the attention of the Management Committee for follow-up action, and special focus is placed on those recommendations whose implementation is past due. The Committee receives quarterly updates from the Office and the Department of Management on the implementation of critical recommendations.

Figure I

Trend analysis of critical recommendations to the Office of Internal Oversight Services the implementation of which is past due



Abbreviations: DFS, Department of Field Support; DM, Department of Management; PKO, peacekeeping operations; UNHCR, Office of the United Nations High Commissioner for Refugees; UNSOS, United Nations Support Office in Somalia.

21. Figure I provides a quarterly trend analysis of the critical recommendations issued by OIOS that were past due. The total number of outstanding critical recommendations decreased from 59 at the end of the fourth quarter of 2015 to 53 as at the end of the first quarter of 2016. The largest share of OIOS past due critical recommendations involved peacekeeping missions. In June 2014, 6 critical recommendations involved peacekeeping operations. That number increased to 25 in June 2015, before decreasing slightly to 21 in March 2016. The critical recommendations addressed to the Department of Management that were past due exhibited a declining trend since the second quarter of 2014.

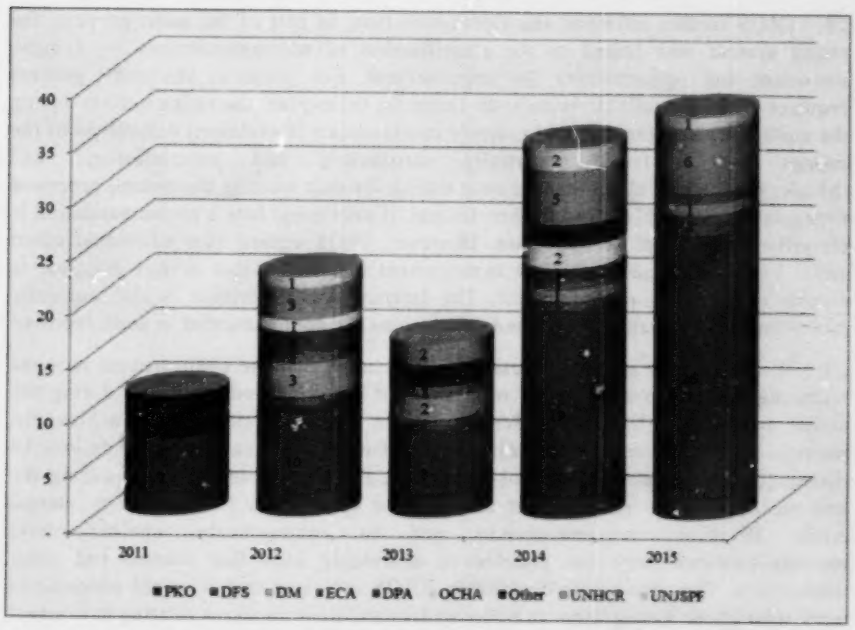
22. **The Committee appreciates the progress made in reducing the number of past due critical recommendations. However, the Committee also reiterates its view on the importance in addressing critical recommendations in a timely manner.**

Trends in the audit report ratings

23. The Committee received a trend analysis of all reports issued by OIOS since the third quarter of 2011, when it introduced the rating system to the first quarter of 2016. The Department of Management informed the Committee that the cumulative figures of OIOS audit reports showed that 78 reports (11 per cent) were rated satisfactory, 529 (70 per cent) were partially satisfactory, 123 (16 per cent) were unsatisfactory and 21 (3 per cent) were unrated.

24. As figure II shows, the majority of all unsatisfactory reports related to peacekeeping operations. In 2015 alone, 26 out of 37 unsatisfactory reports were in the area of peacekeeping operations. As the Committee reported in paragraph 30 of its eighth annual report (A/70/284), the Department of Management noted that there seemed to be a relationship between the number of unsatisfactory reports and the hardship conditions in the field, and that it was studying the issue to establish the underlying causes and would report to the Committee at subsequent sessions. The Committee followed up with management on the issue, and was informed that within peacekeeping operations, there were eight areas with the highest number of critical recommendations and hence, the unsatisfactory ratings. Those areas included safety and security, human resources management, procurement, air operations, engineering, asset management, vehicle fleet management and waste management.

Figure II
Distribution of unsatisfactory reports since 2011



Abbreviations: DFS, Department of Field Support; DM, Department of Management; DPA, Department of Political Affairs; ECA, Economic Commission for Africa; OCHA, Office for the Coordination of Humanitarian Affairs, PKO, peacekeeping operations; UNHCR, Office of the United Nations High Commissioner for Refugees; UNJSPF, United Nations Joint Staff Pension Fund.

25. The Committee also had a discussion with the Department of Field Support. The head of the Department emphasized his personal commitment to addressing audit findings in a timely and thorough manner. Notwithstanding the often harsh conditions under which it operates, the Department has made progress in addressing the underlying causes of unsatisfactory reports, which has led to the reduction in their number. The Department plans to reach out to OIOS to emphasize that audit recommendations that are clear, specific and actionable are those that are most helpful to management. The Department also plans to discuss with OIOS the approach it uses to give ratings to individual reports and whether the basis for those ratings could be made more transparent.

26. In paragraph 31 of document A/70/284, it was reported that OIOS had informed the Committee that it shared management's view that conditions in the field could be quite challenging, owing to the nature of the operating environment, high staff turnover and higher vacancy rates, lower levels of staff experience, and challenges related to security and the accessibility of operations. Headquarters-based operations, on the other hand, usually involved safe and stable environments, lower turnover and vacancy rates, higher levels of staff experience and easier access to timely guidance and supervision.

27. **The Committee continues to be cognizant of the conditions in the field and the challenges faced by field operations. However, given the importance of field operations, the Committee continues to call for a concerted effort to address the weaknesses identified by OIOS in its recommendations.**

28. OIOS further informed the Committee that, as part of the audit process, the rating system was linked to the classification of recommendations — critical, important and opportunities for improvement. For instance, the audit process requires Internal Audit Division audit teams to: (a) explain the rating system during the audit entry conference and to clearly communicate the relevant definitions of the ratings — satisfactory, partially satisfactory and unsatisfactory; and (b) communicate to client management during the exit meeting the overall proposed rating as well as explain and further discuss, if necessary, how a recommendation is classified — critical or important. However, OIOS agreed that additional effort could be made to address client management's concerns that ratings assigned to reports could be more transparent. The Internal Audit Division is also currently reviewing how overall opinions and conclusions are communicated in audit reports.

29. With regard to recommendations, OIOS noted that the audit process requires recommendations to address the root cause of the condition identified during the audit, and ensure that recommendations are specific, measurable, achievable, realistic and time-bound. The audit process also requires that recommendations be discussed with client management throughout the audit field work and during the exit meeting. Client management also has the opportunity to respond to Internal Audit Division recommendations and to communicate whether these recommendations were not feasible in addressing identified control and other weaknesses. The above notwithstanding, OIOS indicated that it would continue to work with client management to better understand their concerns relating to Internal Audit Division recommendations and would continue to ensure that recommendations were specific, measurable, achievable, realistic and time-bound.

30. **While welcoming the effort that OIOS is making to address the concerns of management, the Committee believes that more needs to be done to allay**

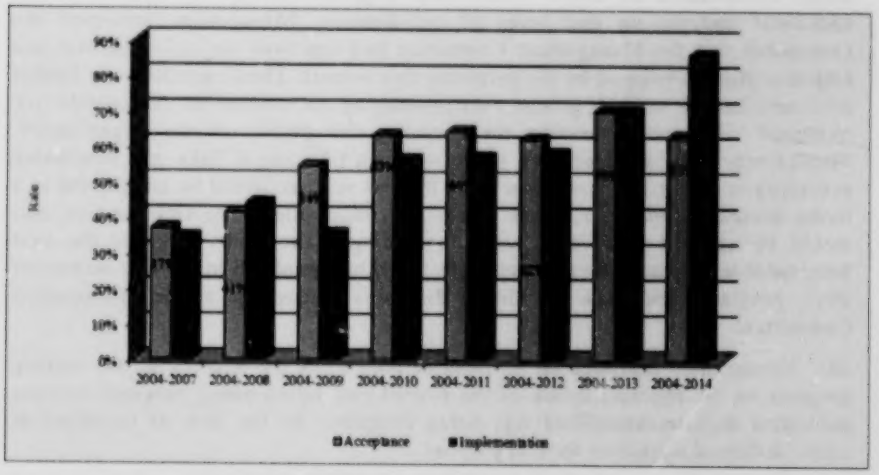
management's concerns. The Committee recommends that OIOS continue to take further initiatives to reach out to stakeholders to ensure that there is a clear understanding as to how reports are rated and recommendations developed.

Joint Inspection Unit

31. In its annual report for 2015 and programme of work for 2016 (A/70/34), the Joint Inspection Unit noted an improvement in the rates of acceptance and implementation of its system-wide recommendations by the 12 largest participating organizations, which reflected an average acceptance rate of 79 per cent and an average implementation rate of 83 per cent.

32. For the United Nations Secretariat, the average acceptance rate decreased to 63 per cent for the period 2007-2014 — the most recent data available — compared to 70 per cent for the previous period. On a positive note, however, the implementation rate increased to 86 per cent for the 2007-2014 period, compared to 70 per cent for the 2006-2013 period (see figure III). The Administration noted that the lower acceptance rate was mainly due to the continued inclusion of recommendations that were addressed to the General Assembly and the United Nations System Chief Executives Board for Coordination, for which the Secretariat has no authority. In addition, according to management, the Joint Inspection Unit acknowledged that the implementation of some of the accepted recommendations might take several years, as the recommendations addressed structural issues, challenged established policies and practices and proposed new directions, requiring cross-departmental and senior management or legislative body decisions.

Figure III
Status of acceptance/implementation by the Secretariat of recommendations of the Joint Inspection Unit



33. Overall, there continues to be a steady improvement in the implementation rate of the Joint Inspection Unit's recommendations.

B. Risk management and internal control framework

34. Paragraphs 2 (f) and (g) of the terms of reference of the Committee mandate the Committee to advise the Assembly on the quality and overall effectiveness of risk management procedures and on deficiencies in the internal control framework of the United Nations.

Enterprise risk management

35. In paragraph 45 of its eighth report (A/70/284), the Committee noted that top management needed to continue to actively lead enterprise risk management efforts to ensure that identifying and managing risks becomes a standard way of doing business across the Organization. Moreover, the Committee fully agrees with the Board's observations about the importance of embedding enterprise risk management in departments' day-to-day work, as noted in the Board of Auditors' most recent report (A/70/5 (Vol. I)).

36. Given the interdependent nature of the various departments and offices in achieving the organizational goals and objectives, the Committee, in paragraph 45 of document A/68/273, recommended that the Management Committee and the Under-Secretary-General for Management, who is the official responsible for enterprise risk management in the Organization, undertake every effort to ensure a genuinely integrative approach to risk management that looked across the Organization's units and ensure a coordinated and comprehensive approach to identifying and managing risk. The Committee noted that success would be achieved only through a concerted push to break down or avoid silos, in other words, by managing the holistic-enterprise-portfolio of risk facing the Organization.

37. While noting management's comment in 2015 that the primary critical risks that had been identified were cross-cutting and closely interrelated, hence requiring close coordination of efforts across the Organization, the Committee sought additional updates on that level of coordination. Management informed the Committee that the Management Committee had approved the risk-treatment and response plans developed by the corporate risk owners. The Committee was further informed that the working groups were monitoring the work of the responsible risk treatment teams and assessing the evolving risk profile of the Organization. Management also indicated that, while work on the critical risks was continuing according to the agreed multi-year plan, the risk register would be maintained as a living document able to represent the actual risk profile of the Organization, and would be updated every two years. Accordingly, the field work for the next Secretariat-wide enterprise risk assessment will be completed in the first quarter of 2017, providing the basis for further dedicated discussions at the Management Committee.

38. Management informed the Committee that, while the Secretariat was making progress on the implementation of the overall risk action plans, progress in some individual departments/offices was being hampered by the lack of resources to create dedicated capacities for that purpose.

39. **The Committee continues to commend the enterprise risk management committee and management for their commitment in making enterprise risk management an integral and important management tool of the Organization. The Committee believes that top management will need to continue to actively**

lead enterprise risk management efforts to ensure that systematically identifying and managing risks becomes a standard way of doing business across the Organization.

40. **The Committee reiterates its previous recommendation that the Secretary-General ensure that his Office and the departments have the capacities they need to effectively implement and sustain enterprise risk management. The Committee will continue to follow up on those and other enterprise risk management issues as a major priority. Specifically, the Committee will pay attention to reviewing and documenting concrete examples of how enterprise risk management is being used in specific ways to manage organizational risks and better achieve results.**

Extrabudgetary funding and management

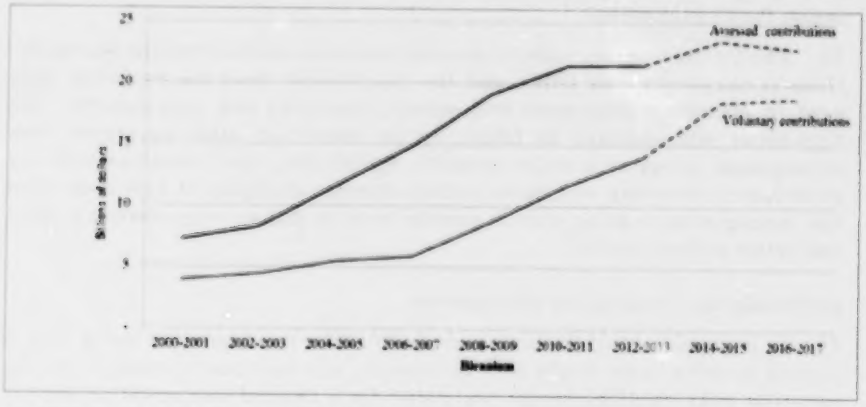
41. In paragraph 42 of its last report (A/70/284), the Committee noted that it planned to delve more deeply over the coming year into one or more of the six enterprise risks identified by the Secretariat for a detailed assessment of what is being done and what can be done to better manage the risk. For this period, the Committee selected extrabudgetary funding and management as the risk it would focus on.

42. In paragraph 50 of its fourth annual report (A/66/299), the Committee said it believed that relying on extrabudgetary funding for one quarter of its funding exposed the Organization in general and the respective programmes in particular, to risks which the Committee believed the Administration should articulate and manage.

43. To better understand the issues associated with extrabudgetary funding, the Committee first looked at budget trends for both volume I (United Nations) and volume II (peacekeeping) and also analysed the expenditures of programmes funded in part from assessed contributions but with significant voluntary contributions, including: the United Nations Environment Programme, UN-Habitat, the United Nations Office on Drugs and Crime (UNODC), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women).

44. The Committee found a rising trend in the amount of voluntary contributions between 2006-2015. Assessed contributions rose sharply between 2002-2011 and then flattened before slightly rising. The rise in assessed contributions during that period primarily is due to increases in peacekeeping budgets, whereas for the voluntary contributions, that increase is mainly in UNHCR and the Office for the Coordination of Humanitarian Affairs (see figure IV).

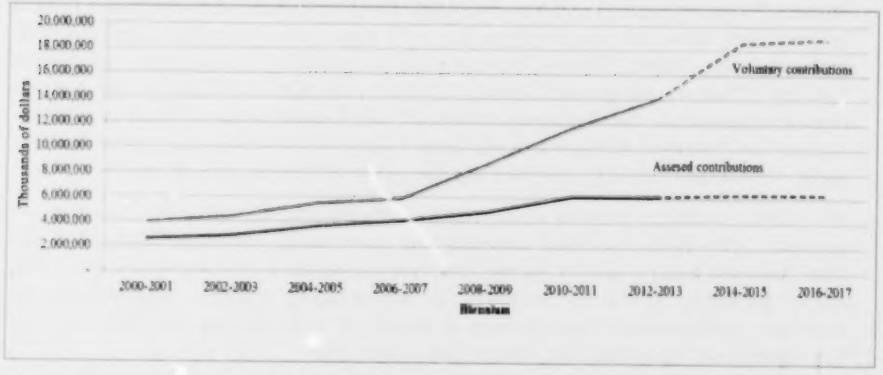
Figure IV
Assessed versus voluntary contributions for the regular and peacekeeping budget



Source: Board of Auditors, vols. I and II, and proposed programme budget fascicles.

45. The importance of managing extrabudgetary funding risk becomes more evident when one looks at the non-peacekeeping budget trends. Figure V shows that, outside of the peacekeeping environment, voluntary contributions have far outstripped assessed contributions. **In fact, the growing gap between voluntary contributions and assessed and other contributions vividly illustrates the enterprise risk that needs to be effectively managed.**

Figure V
Non-peacekeeping budget trends



Source: Proposed programme budget fascicles.

46. The Committee also examined the impact of voluntary funding on programme delivery, and what other extrabudgetary funding dependent entities were doing to secure funding, such as the Office for the Coordination of Humanitarian Affairs, UNODC, UNHCR and UNRWA. Such entities rely on voluntary sources for over 90 per cent of their funding needs and therefore are most directly affected by the inherent risk of relying on extrabudgetary funding to achieve their objectives.

47. In its report on voluntary contributions in United Nations system organizations (JIU/REP/2007/1), the Joint Inspection Unit noted the impact of the growth in voluntary contributions on programme delivery. Importantly, the report noted the positive effects of voluntary contributions on operational growth, programme delivery, and indirectly, efficiency gains generated. However, the report also highlighted negative effects that needed to be managed. First was a lack of predictability, in that funding based on assessed contributions carries greater certainty about the level of funding than voluntary contributions. The absence of predictability can undermine the planning and delivery of programmes and projects in the long and short term. Second, the Joint Inspection Unit noted that extrabudgetary funding dependent organizations are vulnerable to a loss of funding if a major contributor withdraws support. Third, most extrabudgetary resources carry conditionalities, limiting the flexibility of the receiving organization. Finally, because donors can affect the balance of programmes through earmarked funds, the Unit was concerned that voluntary contributions could distort programme priorities.[1]

48. The Committee had discussions with the Controller, who is the corporate risk owner for the extrabudgetary funding and management risk. The Controller informed the Committee that a working group of staff from the Office of Programme Planning, Budget and Accounts, the Economic Commission for Africa, UN-Habitat, the Office for the Coordination of Humanitarian Affairs, the Office of the United Nations High Commissioner for Human Rights, the Office of the Under-Secretary-General for Management, UNODC, the Department of Economic and Social Affairs, the Department of Peacekeeping Operations and the Ethics Office had been established in November 2014 to review potential risks and analyse levels of exposure. According to the Organization's "Risk Register" of September 2014, the risk of extrabudgetary funding and management is defined in this way:

(a) Inability to obtain extrabudgetary funding which may impact the ability of certain departments to achieve their objectives;

(b) Reliance upon extrabudgetary funding may jeopardize or appear to impact the independence of the United Nations as projects that obtain earmarked funding may be given higher priority;

(c) Inability to identify, establish and maintain the optimal structure and controls for trust funds resulting in a loss or misuse of assets.

Inability to obtain extrabudgetary funding

49. As a follow-up to its 2007 report, the Joint Inspection Unit reviewed the resource mobilization function within the United Nations system (JIU/REP/2014/1). The Unit noted that, of the 28 United Nations organizations reviewed, 5, including the Secretariat, do not have a formal strategy for resource mobilization. The report recommended, inter alia, that organizations which have not already done so, develop resource mobilization strategies. According to the Joint Inspection Unit, such strategies would entail seeking multi-year agreements; deepening partnerships with traditional donors; broadening the donor base; and expanding support from the private sector.

[1] JIU/REP/2007/1, paras. 21-49.

50. **The Committee notes that the majority of extrabudgetary funding dependent entities have some form of resource mobilization strategy and an office dedicated to securing funds. Consistent with Joint Inspection Unit findings and related recommendations, the Committee recommends the establishment of a Secretariat-wide resource mobilization strategy. In developing a resource mobilization strategy, the Secretariat could draw upon the lessons learned and good practices found in paragraph 114 of document JIU/REP/2014/1, for example: maintaining relationship with donors; demonstrating performance, efficiency and effectiveness; and delivering timely and up-front information to donors.**

Risk of relying on extrabudgetary funding which may jeopardize or appear to influence the independence of the United Nations

51. According to the Secretariat risk register, relying on extrabudgetary funding may be perceived as potentially influencing the Organization to focus on donor's priorities as opposed to the broader priorities of Member States. However, management recognizes that most of the extrabudgetary resources departments/offices received have been framed within their specific mandates and programmes of work. **The distortion of programme priorities is not easily measurable. Nonetheless, the Committee urges the Secretariat to carefully monitor the effects, if any, of donor influence in framing the Organization's programme priorities. The Committee plans to follow up on this matter in the subsequent sessions.**

Inability to identify, establish and maintain the optimal structure and controls for trust funds

52. The extrabudgetary funding and management working group decided, as a first step to focus on: (a) the standardization of donor agreements; (b) the selection of implementing partners and contract management; and (c) updating the internal control mechanisms that govern the administration of trust funds.

53. The Committee was informed that, for 2016, the working group planned to:

(a) Issue policies for establishing and managing trust funds and relevant administrative instructions;

(b) Provide corporate guidance on standard procedures for the selection of implementing partners;

(c) Clarify the difference between the implementing partner selection process and the procurement process, and between implementing partnerships and grants;

(d) Institute Secretariat-wide standard agreement by having discussions with key donors.

54. The Committee inquired about the decision to focus initially on internal controls, rather than addressing other pressing issues associated with this critical risk. The Committee was informed that the rationale was to start with the internal control structure in order to increase transparency, accountability and efficiency.

55. The Controller also said that, because the Secretariat was predominantly funded from assessed contributions, the Secretariat has not had the need to develop a resource mobilization strategy. Managing such a strategy requires a specific skill

set, for example, in fundraising and donor relations. In addition, there is no dedicated extrabudgetary unit for coordination policy, strategy, capacity-building, etc. in the Office of Programme Planning, Budget and Accounts.

56. **The Committee notes the effort the Secretariat has made in managing the extrabudgetary risk of the Organization and will continue to monitor the Secretariat's efforts and progress. The Committee also notes that managing the remaining risks under extrabudgetary funding calls for dedicated capacity which may not be available from the working group that is currently addressing this risk.**

57. **Against this background, the Committee reiterates its previous recommendation in document A/66/299, that given the reality of the need to rely on extrabudgetary funding, the Organization needs to fully assess and manage the risks associated with extrabudgetary funding. Part of that assessment and management should include new organizational arrangements and capacity within the Secretariat that may be needed. The Committee will continue to monitor this risk and may select an additional enterprise risk for a detailed assessment in the coming year.**

C. Effectiveness, efficiency and impact of the audit activities and other functions of the Office of Internal Oversight Services

58. Under its terms of reference, the Committee has the responsibility to advise the General Assembly on aspects of internal oversight (resolution 61/275, annex, paras. 2 (c)-(e)). In undertaking to fulfil its mandate, the Committee has maintained its standard practice of meeting with the Under-Secretary-General for Internal Oversight Services and other senior OIOS officials during its sessions. The discussions have been focused on OIOS workplan and budget execution, with significant findings reported by OIOS, operational constraints (if any), post incumbency, the status of implementation by management of OIOS recommendations, including critical recommendations, strengthening investigations and funding arrangements.

59. In its resolution 70/111, the General Assembly, recalling paragraph 67 of its resolution 69/307, invited the Committee to continue to examine the operational independence of OIOS, in particular in the area of investigation functions.

Operational independence and effectiveness

60. The Committee reiterates its previous observations in section A of the annex to its second annual report (A/64/288), in which the Committee provides a detailed explanation of what constituted operational independence, noting that, with regard to operational independence, OIOS should have an appropriate degree of real and perceived independence from the management of the United Nations and funds and programmes for which it provides oversight services. Operational independence includes the ability of OIOS to: determine its final workplans and the content of its final reports; make requests for adequate resources to undertake its work; conduct its work with the cooperation of management and all applicable parties, free from intervention; select staff for the Office; and communicate directly to the General Assembly and the Secretary-General in connection with matters of critical

importance to the United Nations and/or the Office. The Committee's comments, observations and recommendations are guided by the above principle.

Guidelines and protocols

61. In its previous review of the operational independence of OIOS, the Committee made several recommendations, including that OIOS develop guidelines and protocols when advising management and making statements about situations that may be subject to audit or investigation; establishing a central intake system in the Secretariat; and a holistic review of OIOS.

62. In its discussion with OIOS, the Committee was informed that the recommendation on developing guidelines and protocols was being finalized, subject to management consultation. OIOS reiterated that no public statements should be made unless related assignments had been completed and related reports made public in accordance with relevant General Assembly resolutions. OIOS also informed the Committee that each Division would ensure that their respective manuals have relevant sections dealing with advisory services in line with the applicable professional practice standards. **The Committee welcomes these initiatives and urges that OIOS finalize the guidelines and protocols without delay.**

Central intake mechanism for investigations

63. The idea for implementing a central intake mechanism first came out of the 2005 World Summit at which Member States decided that OIOS should be strengthened with respect to its expertise, capacity and resources. Following an external quality assessment of the Investigation Division in June 2007, the Secretary-General submitted his report (A/62/582). In paragraph 27 of the report, the Secretary-General noted that OIOS concurred with the external review on the need for a case intake committee and could establish one accordingly.[2] In May 2010, OIOS informed the Committee that an intake committee had been established to manage the intake of all investigation cases and to determine whether information reported to or identified by the Investigation Division should be investigated. The intake committee was changed in 2014 to an approach where the process was conducted under the authority of the Director of Investigation based on recommendations by the three Deputy Directors. The intake process would be supported by an intake secretariat, comprised of a representative of the Operational Standards and Support Section of OIOS.

64. Subsequently, following a review of the cases brought before the new internal justice system, management emphasized the need for a central intake mechanism. In addition, in paragraph 69 of its seventh annual report (A/69/304), the Committee noted that OIOS remarked that centralizing the intake process could go a long way in strengthening the overall investigation function and would undeniably add to the understanding of the universe of misconduct in the of the Secretariat.

65. The need for an efficient and effective intake system has been a long-standing concern of this Committee. For example, the need for a central intake mechanism, particularly in the context of fraud reporting, was identified and recommended as a good practice by both the Board of Auditors and the Joint Inspection Unit. In its

[2] Paragraph 27 of A/62/582.

report, the Joint Inspection Unit noted that a central intake mechanism has the benefit of ensuring a "complete picture" and permits that cases be prioritized and resources used more efficiently (JIU/REP/2016/4, paras. 242-243). The Unit recommended that United Nations entities implement a central intake mechanism for all fraud allegations. The need for a "complete picture" was reinforced by the Board of Auditors in paragraph 148 of its report A/69/5 (Vol. I).

66. In 2015, OIOS informed the Committee that the new case management system (GoCase) had the capability to act as a central intake system for the Secretariat, but it had not been scoped to do so. Finally, in its resolution 70/111, the General Assembly endorsed the Committee's recommendation contained in paragraphs 64 and 89 of its eighth annual report (A/70/284), which called for the Administration to finalize the scoping of the central intake system.

67. During its thirty-fifth session, held in July 2016, the Committee followed up on the status of the central intake system. OIOS informed the Committee that the central intake initiative has not moved forward. According to OIOS, the lack of progress is due to the absence of: consensus among concerned offices on the need and modalities for the mechanism, and resources for the development and maintenance of an appropriate system using the GoCase platform. OIOS further noted that, owing to its investigation staff being preoccupied with other pressing issues, such as the surge of sexual exploitation and abuse cases, it would be difficult to embark on another wide-ranging initiative which could distract OIOS from its current focus/direction. Finally, OIOS pointed to the need to address long-standing internal problems and issues within the Investigation Division, which limited its ability to implement a major initiative at this time.

68. OIOS also noted that certain objectives of a central intake mechanism (ensuring the completeness of reporting of the universe of all potential and actual investigation, and more accurate reporting of fraud and presumptive fraud) were being addressed by the organization. For example:

(a) OIOS expects that the forthcoming fraud and corruption policy would de facto result in OIOS becoming the single repository for fraud reports in line with the recent Joint Inspection Unit recommendation contained in its report on fraud prevention, detection and response in United Nations system organizations (JIU/REP/2016/4);

(b) The revised administrative instruction ST/AI/371 will place a burden on programme managers to report their investigations to OIOS;

(c) The recent efforts with regard to enhancing the organizational response to sexual exploitation and abuse may have certain impacts.

69. **Notwithstanding the response from OIOS, the Committee strongly regrets that this critical recommendation continues to remain unimplemented. The Committee calls on OIOS to implement a central intake mechanism as expeditiously as possible. This will require concerted effort from the Management Committee. The Committee will continue to follow up on this matter in subsequent sessions.**

Response of the Office of Internal Oversight Services into the allegations of sexual exploitation and abuse in the Central African Republic

70. The Committee joined many others in being distressed by the sexual exploitation and abuse cases in the Central African Republic and took careful note of the report of the external independent panel on the United Nations response to the allegations of sexual exploitation and abuse in the Central African Republic. The Committee enquired of OIOS what it was doing in response to the report of the Panel on the Central African Republic. OIOS indicated that it was responding to the Panel's report through close engagement with the Secretary-General's Adviser on sexual exploitation and abuse, working on a number of emergent work streams and assisting with issues arising from the response to the individual recommendations in the report. Moreover, as a response to the spike in activity in the Central African Republic, OIOS further informed the Committee that it was drawing on its global resources and had arranged a deployment schedule to ensure that there was a team of six, including interpreters, forming three enquiry teams on the ground in the country at any one time. OIOS noted that the sheer volume of cases has raised a number of issues concerning the Office's working practices and procedures, which will be reviewed and used to inform the future development of its staff. Furthermore, the Committee was informed that the resourcing level of the OIOS investigative team was insufficient and does not allow the necessary level of resilience needed to deal with serious incidents over an extended period of time as well as maintain focus on the concurrent workload.

71. **The risk of sexual exploitation and abuse in peacekeeping operations and the need for the protection of civilians more generally are issues where OIOS, in each of its three divisions, has done important work. The Committee recommends that OIOS pull together that work — along with relevant insights offered by other analysis — to identify the specific set of management controls that need to be in place from the outset of a peacekeeping operation. OIOS could then audit the strength of these controls as new operations are formed. In this way, the Organization would be better able to stop abuses before they occur, the most important benefit, as well as reducing the need to investigate cases.**

Comprehensive review of the Office of Internal Oversight Services

72. OIOS provided an update on the status of the peer reviews for each Division. Regarding the Internal Audit Division, OIOS noted that an external quality assessment would commence in September, to be completed by the end of 2016. With regard to the Inspection and Evaluation Division, OIOS noted that the last independent review was in 2012 and they were hiring a consultant to carry out an independent review of standards of evidence in 2017/2018. Finally, regarding the Investigation Division, OIOS informed the Committee that the priority had been in stabilizing the leadership of the Division. Now that this was completed, the Under-Secretary-General will discuss with the new Director of Investigation the appropriate timing and scope of an independent review.

73. The Committee was cognizant that the Panel built on the Committee's recommendation for a comprehensive review of OIOS, with special emphasis on the Investigation Division. **The Committee is encouraged by the commitment of the Under-Secretary-General to improve the operations of OIOS and continues to**

believe that such a review would be helpful to her efforts to ensure the widespread and significant concerns about the operations, internal working relationships and effectiveness of the Investigation Division be resolved. The Committee's recommendation urged that the review look at issues that have perennially affected OIOS, including the high vacancy rates and inter- and intra-office dynamics.

Organizational enterprise risk management and oversight work planning

74. In paragraphs 11 and 19 of its report on the proposed OIOS budget under the support account for peacekeeping operations for the period from 1 July 2016 to 30 June 2017 (A/70/759), the Committee noted that there was no demonstrated link between the six critical risks of the Organization and the OIOS risk assessment. The Committee further recommended that future workplans explicitly show how they are guided by the Organization's enterprise risk management strategy. OIOS informed the Committee that it had taken into account the organizational risk assessment when preparing its annual workplan, albeit to a differing extent by each division. OIOS also provided the Committee with a list of proposed audit assignments for 2017 highlighting the specific risk category to be addressed. OIOS informed the Committee that it planned to further strengthen its consideration of the organizational risk register in identifying the most critical and specific corporate risks that the office should address. This would entail a more systematic analysis of risk drivers, internal controls and risk responses for each of the critical/very high risks, which would result in oversight focus areas. OIOS also emphasized that such oversight focus areas need to be addressed by OIOS in an integrated/collective manner across all divisions and into the divisional workplans.

75. **The Committee is pleased that OIOS is taking the initiative to demonstrate the link between the organizational enterprise risk management strategy and its programme of work and is using this as a vehicle in further integration across its divisions. The initiative will help strengthen the integration among the OIOS workplan, its budget proposals, and the major risks facing the organization. The Committee will follow up on this matter in its subsequent sessions.**

Performance auditing and the 2030 Agenda for Sustainable Development

76. The Committee sought input from OIOS on how it plans to contribute to the Organization's efforts to embody the integrated, universal and indivisible nature of the 2030 Agenda through its own operations. In response, OIOS informed the Committee that it recognized the critical importance of efficient and effective implementation of United Nations mandate for supporting the 2030 Agenda. As such, the Inspection and Evaluation Division has started to systematically include reviews of the Sustainable Development Goals in its evaluations where appropriate, for example, in its recently completed evaluations of the Economic Commission for Europe and the Economic and Social Commission for Western Asia. OIOS also informed the Committee that its upcoming thematic evaluation of regional commissions will focus on the commissions' statistical work in support of measuring the achievements and the implementation of internationally agreed sustainable development goals.

77. For the longer term, the Committee was informed that OIOS had designated support for the Sustainable Development Goals as one of the high-risk focus areas for the organization. The Committee understands that OIOS is developing a detailed oversight strategy and related plan to assess the Organization's contributions to the achievement of the 2030 Agenda.

78. **The Committee is very encouraged by OIOS initiatives to develop a detailed oversight strategy and related plan for work related to the implementation of the 2030 Agenda for Sustainable Development and its commitment to provide management and the General Assembly with important information they will need to gauge progress and pinpoint improvement opportunities in the Secretariat's efforts. The Committee is equally committed to continuing to monitor OIOS efforts on these important issues.**

D. Financial reporting

79. During the reporting period, the Committee engaged in discussions with the Board of Auditors, the Under-Secretary-General for Management, the Controller and the Project Director of Umoja on a number of issues relating to financial reporting. The issues discussed included:

(a) Status of the benefit realization plans for IPSAS and Umoja;

(b) Implementation of Umoja;

(c) Internal control and the United Nations anti-fraud policy.

Implementation of the International Public Sector Accounting Standards and benefits realization

80. With respect to implementation of the International Public Sector Accounting Standards (IPSAS), the Committee continued to be routinely apprised of the project status and has noted the continued issuance of unqualified audit opinions by the Board of Auditors. The IPSAS-compliant financial statements for 2014 and the 2015 financial statements for the peacekeeping operations received unqualified audit opinions. The audits of the 2015 non-peacekeeping financial statements were still in progress.

81. The Committee was also informed that the Management Committee endorsed a five-pillar plan to support IPSAS sustainability. The purpose of the plan is to ensure that IPSAS compliance can be maintained, and to support the use of IPSAS-triggered information to better manage the Organization. Significant progress has been made in key areas of the IPSAS sustainability plan, including the plan for implementation of the statement on internal controls and the management of IPSAS benefits. The Committee was informed that the IPSAS team would deploy the sustainability plan and then the residual functions of the team would be institutionalized by the end of 2017.

82. **The Committee believes that the issuance of unqualified audit opinions by the Board of Auditors is a very positive indication of the Secretariat's efforts to ensure sustainability of IPSAS compliance and to institutionalize IPSAS-compliant processes into day-to-day operations.**

83. In paragraph 94 of its seventh annual report (A/69/304), the Committee indicated that it would review the IPSAS benefit realization plan and make comments in subsequent reports. The Committee has since received updates, including on the approval by the Management Committee of the benefit realization plan for IPSAS at the end of 2014. The Committee was informed that IPSAS benefits management was one of the five major pillars of the IPSAS sustainability plan. The Committee was also informed that the IPSAS benefits realization plan was translated into detailed tracking/reporting requirements for five major benefit categories and related 15 individual benefits, requiring all major organizational entities to report on progress made.

84. The Committee was also informed that in the context of the two reporting cycles, it became apparent that there was clear qualitative impact of IPSAS which affected several areas and led to the tightening of processes and procedures, as well as the introduction of new processes. Furthermore, management believes the visibility created and discipline required by IPSAS, in combination with other change initiatives, has led to decreasing trends in asset and inventory holdings of some offices/field missions over the past financial cycles and to better budget implementation.

85. **The Committee welcomes the progress that the Secretariat has made in implementing IPSAS, including the finalization of the benefits realization plan and the articulation of the major expected benefits. The Committee looks forward to receiving details of those and other documented benefits from IPSAS, which, as noted in paragraph 93 of document A/69/304, were to be realized in conjunction with the full implementation of Umoja.**

Implementation of Umoja

86. With respect to Umoja, the Committee held several sessions on the progress made thus far. Management shared with the Committee the road map for Umoja for 2016-2017. This road map includes a soft roll-out of the service delivery for peacekeeping operations in July 2016, roll-out of the financial statements module in August 2016, roll-out of cluster 5 (national staff in peacekeeping operations and uniformed personnel) in November 2016, roll-out of the first of the International Civil Service Commission compensation package changes in July 2016, with two elements (mobility and discontinuation of non-removable) to be deployed in November 2016. The Committee was also informed that while continuing with the implementation of Umoja, management has had to contend with the expected post implementation challenges. For example, management indicated that 67 (63 from cluster 3 and 4 from cluster 4) high-level recommendations in eight broad areas were raised by the Umoja post-implementation review task force in the areas of service delivery, finance, human resource, payroll, grants, procurement, travel and general issues. Of the 67 recommendations, 14 have been closed, 41 are in progress and 12 are for long-term, continuous improvements.

87. The Committee was also informed of additional challenges that the project faces, including: an aggressive workplan which has been complicated by the International Civil Service Commission package; budget pressure — the risk the funds may not be enough to see the enterprise resource planning project through to the end; staff issues; the expected transition in the Secretary-General leadership; and the Umoja Extension 2 roll-out.

88. The Committee welcomes the progress achieved in implementing Umoja. The Committee noted that as Umoja moves into the stabilization phase, the key issues now centre on ensuring that the Organization consistently develops the capacity to manage Umoja and use its outputs to make decisions. This requires that the Secretariat ensure that managers and staff have the needed knowledge and capacities, through training, knowledge-sharing and other means. Such capacity development is vital to achieving the reasonable demands of the Member States for the benefit realization of Umoja, given the cost, effort and time that was needed to implement the project.

Internal control system and anti-fraud policy

89. In paragraph 106 of its most recent report (A/70/5 (Vol. I)), the Board of Auditors underscored the fact that the complex and risk-prone environment in which the United Nations operates demanded that a strong internal control framework and risk management system be in place. In that regard, the Controller informed the Committee that the statement on internal controls was one of the key deliverables of IPSAS sustainability plan. The envisaged approach to strengthening internal controls and leading to the Statement on Internal Control will be based on an organization-wide assurance process. The assurance process will require all heads of departments, offices and missions to submit an annual assurance statement to the Controller. Managers will be supported in their efforts by self-assessment checklists, communication and training materials as well as hands-on training in assessing internal controls locally. The Committee of Sponsoring Organizations of the Treadway Commission integrated internal control framework will serve as the conceptual framework for the United Nations approach to the framework that will support the statement on internal controls.

90. The Committee was informed that the next steps therefore include defining the assurance deliverables such as immediate self-assessment checklists and related assurance statements. A pilot phase is foreseen for the fall of 2016 and early 2017. Subject to the outcome of the initial assurance process, implementation of the first statement on internal control is envisaged for peacekeeping for financial year 2016/17 and volume I for financial year 2017.

91. **The Committee commends the progress made to improve the internal control system and stresses the significance of educating and providing guidance through various means to managers and all affected staff on the importance of strong internal controls. The Committee will follow up on the issue at subsequent sessions.**

92. With respect to fraud, the Committee has long opined on the importance of dealing with and preventing fraud. In paragraphs 57 and 58 of its report for the period from 1 August 2011 to 31 July 2012 (A/67/259), the Committee noted that the low level of investigated cases dealing with procurement could suggest a failure to detect fraud. In document A/69/304, the Committee recommended that OIOS establish a fully integrated long-term strategic plan that addressed, inter alia, the challenges and tendencies of procurement fraud apparent in the financial statements of oversight bodies. Finally, in paragraph 89 of its most recent report (A/70/284), the Committee recommended that the Administration finalize the scoping of the central intake system and noted that the anti-fraud policy is not an end in itself but

only the first step in ensuring that the internal control framework is implemented effectively.

93. The Committee took the findings and recommendations of the Joint Inspection Unit report on fraud prevention, detection and response in the United Nations system into account when reviewing the Organization's anti-fraud efforts. The Committee notes that, in paragraph 55 of its report, the Unit believed that an effective anti-fraud policy should include at a minimum, inter alia:

(a) Definition of fraud;

(b) Actions constituting fraud;

(c) Management's responsibility for the prevention and detection of fraud;

(d) Employee and third party responsibilities relating to the prevention and detection of fraud and procedures on how fraud is to be reported;

(e) Directions as to how allegations/incidents are to be managed;

(f) Advice on where further information can be found.

94. **The Committee fully agrees with the Joint Inspection Unit assessment on what constitutes a good anti-fraud policy.**

95. During discussions with management, the Committee was informed that an anti-fraud policy for the Secretariat was being finalized, and should be released later in 2016. The Committee understand that the policy will, inter alia: (a) reiterate the zero-tolerance approach to fraudulent acts; (b) a definition of fraud and corruption; (c) the responsibilities of every concerned actor; (d) the mechanisms for reporting and investigating fraud; and (e) the remedial actions to be taken in case of substantiated fraud.

96. **The Committee examined the anti-fraud policies of other United Nations entities and agrees with the Joint Inspection Unit that entities such as UNDP appear to have some good practices that the Secretariat could consider in implementing its policy framework.**

97. OIOS also informed the Committee that it had been engaging in internal discussions on strengthening the OIOS strategy and approach in addressing fraud risk in the Organization, in particular at the United Nations Joint Staff Pension Fund, implementing partners, procurement and entitlements. According to OIOS, the strategy would include reorganization of the work of the dedicated fraud investigation team in Nairobi, which had been discontinued after a loss of funds by an extrabudgetary donor.

98. In paragraph 87 of its most recent annual report (A/70/284), the Committee was informed that some of the issues encountered when reporting fraud were: different recording systems and methodologies; redaction of confidential information; and different interpretations of fraud and presumptive fraud. OIOS informed the Committee that it was working closely with the Controller's office and agreed with the definition of presumptive fraud and provided a detailed list of fraud and presumptive fraud cases OIOS had taken on in 2015.

99. **Based on the above, and as previously stated in paragraph 66 of the present report, the Committee recommends that a central intake mechanism be implemented in the Secretariat. As mentioned by the Board of Auditors and**

Joint Inspection Unit, this should help with the completeness and accuracy of reporting fraud and presumptive fraud.

E. Coordination among United Nations oversight bodies

100. During the reporting period, in addition to its regularly scheduled meetings with OIOS, the Committee met with other oversight bodies, such as the Joint Inspection Unit and the Board of Auditors, including the Audit Operations Committee. The dialogue allowed for the sharing of perspectives on matters of mutual concern and provided a useful opportunity for cooperation among United Nations oversight bodies.

101. Within its mandate, the Committee sought comments from the three oversight bodies, all of which underscored the existing coordination mechanisms among themselves, including the sharing of their programmes of work. In separate meetings with the Board of Auditors, the Joint Inspection Unit and OIOS, the Committee noted the positive relationship fostered through the tripartite coordination meetings of the oversight bodies and the sharing of workplans in an effort to avoid duplication. The Committee believes that such coordination provides a valuable platform for additional opportunities.

102. The Committee also had discussions with Secretariat oversight focal points. Some expressed their concern that there was no central repository where one could look at the status of oversight recommendations from the Board of Auditors, OIOS and the Joint Inspection Unit. This repository would be separate from the existing recommendation tracking systems currently in place. **The Committee will follow up with management on this in future reports.**

Follow-up and review of the 2030 Agenda for Sustainable Development

103. As noted in paragraph 73 above, OIOS is developing an integrated workplan among its Divisions on work related to the implementation of the 2030 Agenda for Sustainable Development. In discussions with OIOS, the Committee was informed that OIOS is already considering opportunities to work with audit and evaluation colleagues in other United Nations oversight offices to ensure a more broadly coordinated approach to oversight.

104. Moreover, from discussions with the Audit Operations Committee of the Board of Auditors, the Committee understands that the Board of Auditors is exploring opportunities to examine the Organization's efforts to support the 2030 Agenda as part of its audit work. **The Committee is very encouraged by these developments. More generally coordinated audit strategies may identify opportunities to make progress on a recommendation in the Committee's seventh annual report (A/69/304) that oversight bodies consider developing topical or organizationally focused fact sheets that succinctly bring together in one place short synopses by each of the oversight bodies that are relevant to a specific topic or organization. The overall intent is to bring together the collective good work of the oversight bodies in one place so that decision makers and stakeholders can more easily see the key matters that need to be addressed. That synergy will go a long way towards strengthening the oversight regime of the Organization and thereby contribute to improvements in effectiveness, transparency and accountability.**

F. Cooperation and access

105. The Committee reports that it received good cooperation from OIOS and senior management in the Secretariat, including the Department of Management, the Department of Field Support and the Office for the Coordination of Humanitarian Affairs, in discharging its responsibilities. The Committee was given appropriate access to staff, documents and information that it needed in order to undertake its work. The Committee is pleased to report that it continued to work closely with the Joint Inspection Unit and the Board of Auditors. The Committee looks forward to continued cooperation with the entities with which it interacts in order to discharge its responsibilities, as set out in its terms of reference, in a timely manner.

IV. Conclusion

106. In the context of its terms of reference, the Independent Audit Advisory Committee presents the preceding observations, comments and recommendations, as contained in paragraphs 19, 22, 27, 30, 33, 39, 40, 45, 50, 51, 56, 57, 62, 69, 71, 73, 75, 78, 82, 85, 88, 91, 94, 96, 99, 102 and 104 for the consideration of the General Assembly.